



House of Representatives

General Assembly

File No. 323

January Session, 2015

Substitute House Bill No. 6874

House of Representatives, March 31, 2015

The Committee on Labor and Public Employees reported through REP. TERCYAK of the 26th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING GRADUATE ASSISTANT BENEFITS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 3-123aaa of the general statutes is repealed and
2 the following is substituted in lieu thereof (*Effective July 1, 2015*):

3 As used in this section and sections 3-123bbb to 3-123hhh, inclusive:

4 (1) "Health Care Cost Containment Committee" means the
5 committee established in accordance with the ratified agreement
6 between the state and the State Employees Bargaining Agent Coalition
7 pursuant to subsection (f) of section 5-278.

8 (2) "Nonprofit employee" means any employee of a nonprofit
9 employer.

10 (3) "Nonprofit employer" means (A) a nonprofit corporation,
11 organized under 26 USC 501, as amended from time to time, that (i)
12 has a purchase of service contract, as defined in section 4-70b, or (ii)

13 receives fifty per cent or more of its gross annual revenue from grants
14 or funding from the state, the federal government or a municipality or
15 any combination thereof, or (B) an organization that is tax exempt
16 pursuant to 26 USC 501(c)(5), as amended from time to time.

17 (4) "Nonstate public employee" means any employee or elected
18 officer of a nonstate public employer.

19 (5) "Nonstate public employer" means a municipality or other
20 political subdivision of the state, including a board of education, quasi-
21 public agency or public library. A municipality and a board of
22 education may be considered separate employers.

23 (6) "Partnership plan" means a health care benefit plan offered by
24 the Comptroller to nonstate public employers or nonprofit employers
25 [under] pursuant to section 3-123bbb, and to graduate assistants at The
26 University of Connecticut pursuant to section 10a-105, as amended by
27 this act.

28 (7) "State employee plan" means a self-insured group health care
29 benefits plan established under subsection (m) of section 5-259.

30 Sec. 2. Section 10a-105 of the general statutes is repealed and the
31 following is substituted in lieu thereof (*Effective July 1, 2015*):

32 (a) Subject to the provisions of sections 10a-8 and 10a-26, the Board
33 of Trustees of The University of Connecticut shall fix fees for tuition
34 and shall fix fees for such other purposes as the board deems necessary
35 at The University of Connecticut, and may make refunds of the same.

36 (b) The Board of Trustees of The University of Connecticut shall
37 establish and administer a fund to be known as The University of
38 Connecticut Operating Fund, and in addition, may establish a Special
39 External Gift Fund, and an endowment fund, as defined in section 10a-
40 109c, and such other funds as may be established pursuant to
41 subdivision (13) of subsection (a) of section 10a-109d. Appropriations
42 from general revenues of the state and, upon request by the university
43 and with an annual review and approval by the Secretary of the Office

44 of Policy and Management, the amount of the appropriations for fringe
45 benefits and workers' compensation applicable to the university
46 pursuant to subsection (a) of section 4-73, shall be transferred from the
47 Comptroller, and all tuition revenue received by the university in
48 accordance with the provisions of subsection (a) of this section, income
49 from student fees or related charges, the proceeds of auxiliary activities
50 and business enterprises, gifts and donations, federal funds and grants
51 for purposes other than research and all receipts derived from the
52 conduct by The University of Connecticut of its education extension
53 program and its summer school session, except funds received by The
54 University of Connecticut Health Center, shall be deposited in said
55 operating fund. If the Secretary of the Office of Policy and
56 Management disapproves such transfer, he may require the amount of
57 the appropriation for operating expenses to be used for personal
58 services and fringe benefits to be excluded from said fund. The State
59 Treasurer shall review and approve the transfer prior to such request
60 by the university. All costs of waiving or remitting tuition pursuant to
61 subsection (g) of this section, except the cost of waiving or remitting
62 tuition for students enrolled in the schools of medicine or dental
63 medicine, shall be charged to said fund. Repairs, alterations or
64 additions to facilities supported by said fund costing one million
65 dollars or more shall require the approval of the General Assembly, or
66 when the General Assembly is not in session, of the Finance Advisory
67 Committee. Any balance of receipts above expenditures shall remain
68 in said fund, except such sums as may be required for deposit into a
69 debt service fund or the General Fund for further payment by the
70 Treasurer of debt service on general obligation bonds of the state
71 issued for purposes of The University of Connecticut.

72 (c) The Board of Trustees of The University of Connecticut shall
73 establish and administer a fund to be known as The University of
74 Connecticut Health Center Operating Fund. Appropriations from
75 general revenues of the state except the amount of the appropriation
76 for operating expenses to be used for personal services and the
77 appropriations for fringe benefits pursuant to subsection (a) of section
78 4-73, all tuition revenue received by the health center in accordance

79 with the provisions of subsection (a) of this section, income from
80 student fees or related charges, proceeds from auxiliary and business
81 enterprises, gifts and donations, federal funds and grants for purposes
82 other than research and other income relative to these activities shall
83 be deposited in said fund. All costs of waiving or remitting tuition
84 pursuant to subsection (g) of this section for students enrolled in the
85 schools of medicine or dental medicine shall be charged to said fund.
86 Repairs, alterations or additions to facilities supported by said fund
87 costing one million dollars or more shall require the approval of the
88 General Assembly, or when the General Assembly is not in session, of
89 the Finance Advisory Committee. Any balance of receipts above
90 expenditures shall remain in said fund, except such sums as may be
91 required for deposit into a debt service fund or the General Fund for
92 further payment by the Treasurer of debt service on general obligation
93 bonds of the state issued for purposes of The University of Connecticut
94 Health Center.

95 (d) Commencing December 1, 1981, and thereafter not later than
96 sixty days after the close of each quarter, the board of trustees shall
97 submit to the joint standing committee of the General Assembly
98 having cognizance of matters relating to appropriations and the
99 budgets of state agencies, the Office of Higher Education and the
100 Office of Policy and Management a report on the actual expenditures
101 of The University of Connecticut Operating Fund and The University
102 of Connecticut Health Center Operating Fund containing such relevant
103 information as the Office of Policy and Management may require in
104 the form prescribed by the board of regents in accordance with
105 subsection (a) of section 10a-8.

106 (e) Said board of trustees shall waive the payment of tuition fees at
107 The University of Connecticut (1) for any dependent child of a person
108 whom the armed forces of the United States has declared to be missing
109 in action or to have been a prisoner of war while serving in such armed
110 forces after January 1, 1960, which child has been accepted for
111 admission to The University of Connecticut and is a resident of
112 Connecticut at the time such child is accepted for admission to said

113 institution, (2) subject to the provisions of subsection (f) of this section,
114 for any veteran who performed service in time of war, as defined in
115 subsection (a) of section 27-103, except that for purposes of this
116 subsection, "service in time of war" shall not include time spent in
117 attendance at a military service academy, who has been accepted for
118 admission to said institution and is domiciled in this state at the time
119 such veteran is accepted for admission to said institution, (3) for any
120 resident of Connecticut sixty-two years of age or older who has been
121 accepted for admission to said institution, provided (A) such person is
122 enrolled in a degree-granting program, or (B) at the end of the regular
123 registration period, there are enrolled in the course a sufficient number
124 of students other than those persons eligible for waivers pursuant to
125 this subdivision to offer the course in which such person intends to
126 enroll and there is space available in such course after accommodating
127 all such students, (4) for any active member of the Connecticut Army
128 or Air National Guard who (A) has been certified by the Adjutant
129 General or such Adjutant General's designee as a member in good
130 standing of the guard, and (B) is enrolled or accepted for admission to
131 said institution on a full-time or part-time basis in an undergraduate or
132 graduate degree-granting program, (5) for any dependent child of a
133 (A) police officer, as defined in section 7-294a, or supernumerary or
134 auxiliary police officer, (B) firefighter, as defined in section 7-323j, or
135 member of a volunteer fire company, (C) municipal employee, or (D)
136 state employee, as defined in section 5-154, killed in the line of duty,
137 (6) for any resident of the state who is the dependent child or surviving
138 spouse of a specified terrorist victim who was a resident of the state,
139 (7) for any dependent child of a resident of the state who was killed in
140 a multivehicle crash at or near the intersection of Routes 44 and 10 and
141 Nod Road in Avon on July 29, 2005, and (8) for any resident of the state
142 who is a dependent child or surviving spouse of a person who was
143 killed in action while performing active military duty with the armed
144 forces of the United States on or after September 11, 2001, and who
145 was a resident of this state. If any person who receives a tuition waiver
146 in accordance with the provisions of this subsection also receives
147 educational reimbursement from an employer, such waiver shall be

148 reduced by the amount of such educational reimbursement. Veterans
149 described in subdivision (2) of this subsection and members of the
150 National Guard described in subdivision (4) of this subsection shall be
151 given the same status as students not receiving tuition waivers in
152 registering for courses at The University of Connecticut.
153 Notwithstanding the provisions of section 10a-30, as used in this
154 subsection, "domiciled in this state" includes domicile for less than one
155 year.

156 (f) (1) If any veteran described in subsection (e) of this section has
157 applied for federal educational assistance under the Post-9/11
158 Veterans Educational Assistance Act of 2008, the board of trustees shall
159 waive the payment of tuition at The University of Connecticut for such
160 veteran in accordance with subdivision (2) of this subsection. If any
161 such veteran certifies to said board that such veteran's application for
162 such federal educational assistance has been denied or withdrawn,
163 said board of trustees shall waive the payment of tuition in accordance
164 with subsection (d) of this section.

165 (2) (A) For purposes of this subdivision, "veteran tuition benefit"
166 means the portion of federal educational assistance under the Post-
167 9/11 Veterans Educational Assistance Act of 2008 to be paid to The
168 University of Connecticut on behalf of a veteran that represents
169 payment for tuition. Such portion shall be calculated by multiplying (i)
170 the total amount of such federal educational assistance to be paid to
171 The University of Connecticut on behalf of such veteran by (ii) an
172 amount obtained by dividing (I) the actual tuition charged by The
173 University of Connecticut to such veteran by (II) the sum of the actual
174 tuition and fees charged by The University of Connecticut to such
175 veteran.

176 (B) Said board of trustees shall waive the payment of tuition in
177 excess of the veteran tuition benefit at The University of Connecticut
178 for such veteran.

179 (g) Said board of trustees shall set aside from its anticipated tuition
180 revenue, an amount not less than that required by the board of

181 governors' tuition policy established under subdivision (3) of
182 subsection (a) of section 10a-6. Such funds shall be used to provide
183 tuition waivers, tuition remissions, grants for educational expenses
184 and student employment for any undergraduate, graduate or
185 professional student who is enrolled as a full or part-time matriculated
186 student in a degree-granting program, or enrolled in a precollege
187 remedial program, and who demonstrates substantial financial need.
188 Said board may also set aside from its anticipated tuition revenue an
189 additional amount equal to one per cent of said tuition revenue for
190 financial assistance for students who would not otherwise be eligible
191 for financial assistance but who do have a financial need as determined
192 by the university in accordance with this subsection. In determining
193 such financial need, the university shall exclude the value of equity in
194 the principal residence of the student's parents or legal guardians, or in
195 the student's principal residence if the student is not considered to be a
196 dependent of his parents or legal guardians and shall assess the
197 earnings of a dependent student at the rate of thirty per cent.

198 (h) The University of Connecticut Operating Fund shall be
199 reimbursed for the amount by which tuition waivers granted under
200 subsection (e) of this section exceed two and one-half per cent of
201 tuition revenue through an annual state appropriation. The board of
202 trustees shall request such an appropriation and said appropriation
203 shall be based upon an estimate of tuition revenue loss using tuition
204 rates in effect for the fiscal year in which such appropriation will
205 apply.

206 (i) Said board of trustees shall grant remission or waiver of tuition,
207 and shall waive all student fees, for graduate assistants at the
208 university. Assistantship payments to graduate assistants shall not be
209 considered salaries and wages under the provisions of section 3-119,
210 and shall be paid according to a schedule prescribed by the university
211 and approved by the State Comptroller.

212 (j) Said board of trustees shall provide health care coverage for
213 graduate assistants at the university by enrolling such graduate

214 assistants in a partnership plan as defined in section 3-123aaa, as
215 amended by this act.

216 [(j)] (k) Said board of trustees shall allow any student who is a
217 member of the armed forces called to active duty during any semester
218 to enroll in any course for which such student had remitted tuition but
219 which was not completed due to active duty status. Such course
220 reenrollment shall be offered to any qualifying student for a period not
221 exceeding four years after the date of release from active duty without
222 additional tuition, student fee or related charge, except if such student
223 has been fully reimbursed for the tuition, fees and charges for the
224 course that was not completed.

This act shall take effect as follows and shall amend the following sections:

Section 1	July 1, 2015	3-123aaa
Sec. 2	July 1, 2015	10a-105

LAB Joint Favorable Subst.

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 16 \$	FY 17 \$
UConn; UConn Health Ctr.	Operating Fund - Revenue Loss	5 million	5 million
UConn; UConn Health Ctr.	GF - Cost	3.4 to 4.9 million	3.4 to 4.9 million

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill results in a revenue loss to the Operating Funds of the University of Connecticut and the University of Connecticut Health Center of \$5 million in FY 16 and FY 17. Additionally the bill results in a cost to the universities of \$3.4 million to \$4.9 million in FY 16 and FY 17.

The revenue loss is due to the waiving of university fees to graduate assistants. The waiving of such fees results in a revenue loss to the University of Connecticut of \$4.9 million per year and to the Health Center of \$100,000 per year.

The additional cost of \$3.4 million to \$4.9 million is due to including graduate assistants in the State of Connecticut "Partnership Plan" administered by the State Comptroller. The lower figure is based on applying the current Graduate Assistant population to the rate information for participation in the CT Partnership Plan without the Health Enhancement Plan (HEP). The higher figure includes the HEP option. The yearly cost to the University of Connecticut ranges from \$3.2 million to \$4.6 million and ranges from \$237,000 to \$335,000 to the University of Connecticut Health Center.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to fee and health benefit rates.

OLR Bill Analysis**sHB 6874*****AN ACT CONCERNING GRADUATE ASSISTANT BENEFITS.*****SUMMARY:**

This bill requires the UConn board of trustees to (1) waive all student fees for UConn graduate assistants (GAs) (see BACKGROUND) and (2) enroll UConn GAs in the partnership plan, the state-administered health insurance plan for non-state public employers. The bill changes the definition of the partnership plan to include GAs among those offered participation. The bill provides no mechanism for UConn, a state employer, to pay the premiums, nor does it add UConn to the listed employers under the plan. Presumably, the board of trustees would pay the costs of the coverage. (The law requires partnership plan participating employers to pay a monthly premium to the comptroller.)

EFFECTIVE DATE: July 1, 2015

BACKGROUND***Graduate Assistants***

There are approximately 7,000 graduate students at UConn, with approximately one-third of them holding graduate appointments at a given time.

Under legislation passed in 2003, GAs became ineligible for the state employee health insurance plan and were required to participate in the student health plan. By existing law, unchanged by the bill, GAs are granted remission or waiver of tuition (approximately \$12,000 for in-state students and \$31,000 for out-of-state students) and receive stipends.

GAs receive health insurance through the student health plan and

receive premium subsidies ranging from \$4,000 for individual coverage to \$11,600 for family coverage.

COMMITTEE ACTION

Labor and Public Employees Committee

Joint Favorable Substitute

Yea 6 Nay 5 (03/12/2015)